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Attorneys for Debtors and Debtors-in-Possession

**UNITED STATES BANKRUPTCY COURT
 DISTRICT OF NEVADA**

In re:
 USA COMMERCIAL MORTGAGE COMPANY,
 Debtor.

Case No. BK-S-06-10725 LBR
 Case No. BK-S-06-10726 LBR
 Case No. BK-S-06-10727 LBR
 Case No. BK-S-06-10728 LBR
 Case No. BK-S-06-10729 LBR

In re:
 USA CAPITAL REALTY ADVISORS, LLC,
 Debtor.

Chapter 11

In re:
 USA CAPITAL DIVERSIFIED TRUST DEED
 FUND, LLC,
 Debtor.

Jointly Administered Under
 Case No. BK-S-06-10725 LBR

In re:
 USA CAPITAL FIRST TRUST DEED FUND, LLC,
 Debtor.

**OBJECTION OF USA CAPITAL
 REALTY ADVISORS, LLC TO
 CLAIM FILED BY THE INTERNAL
 REVENUE SERVICE
 (Affects USA Capital Realty Advisors,
 LLC)**

In re:
 USA SECURITIES, LLC,
 Debtor.

Affects:

- ☐ All Debtors
- ☐ USA Commercial Mortgage Company
- ☐ USA Securities, LLC
- ☒ USA Capital Realty Advisors, LLC
- ☐ USA Capital Diversified Trust Deed Fund, LLC
- ☐ USA First Trust Deed Fund, LLC

Date: June 22, 2007
 Time: 9:30 a.m.

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USA Capital Realty Advisors, LLC (“USA Realty”), by and through its counsel, hereby files its Objection to Claim Filed by the Internal Revenue Service (the “Objection”) and moves this Court, pursuant to section 502 of title 11 of the United States Code (the “Bankruptcy Code”) and Rule 3007 of the Federal Rules of Bankruptcy Procedure (the “Bankruptcy Rules”), for an order disallowing proof of claim 10726-00045 filed by the Internal Revenue Service (the “IRS Claim”). In support of this Objection, USA Realty states as follows:

I. BACKGROUND

1. USA Realty is a Nevada limited liability company. It was the nominal manager of DTFD and FTFD prior to the Petition Date.

2. The Internal Revenue Service (the “IRS”) has asserted a claim against USA Realty as follows:

<i>Claim Number</i>	<i>Date Filed</i>	<i>General Unsecured Amount Claimed</i>	<i>Priority Amount Claimed</i>	<i>Total Amount Claimed</i>
10726-00045	11/14/2006	1,000.00	0.00	1,000.00

II. OBJECTION TO CLAIM

1. **USA Realty is a pass-through entity for federal income tax purposes.**

2. USA Realty’s records do not indicate any liability owing to the IRS, and USA Realty is unaware of any basis for such liability. The IRS has not substantiated the basis for the IRS Claim.

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III. CONCLUSION

For the reasons set forth above, USA Realty objects to the IRS Claim and requests that the Court disallow IRS Claim #10726-00045 in its entirety.

Respectfully submitted this 11th day of April, 2007.

/s/ Lenard E. Schwartz, Esq.
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